

# **EXHIBIT K**

## **LIQUIDATION ANALYSIS**

**LEXINGTON PRECISION CORPORATION**

**Liquidation Analysis as of August 31, 2009  
(in thousands of dollars)**

	<u>LRGI</u>	<u>LPC</u>	<u>Debtors</u>
Net proceeds of liquidation before related fees	30,906	9,389	40,295
Trustee's commission (3%)	(927)	(282)	(1,209)
Legal fees	<u>(600)</u>	<u>(600)</u>	<u>(1,200)</u>
Net proceeds of liquidation	<u>29,379</u>	<u>8,507</u>	37,886
Secured debt			(32,152)
Interest on secured debt during liquidation period			(760)
Debtor-in-possession loan			(4,034)
Interest on debtor-in-possession loan during liquidation period			<u>(200)</u>
Net proceeds before payment of post-petition accounts payable and chapter 11 professional fees			740
Chapter 11 professional fees			<u>(1,318)</u>
Shortfall			<u>(578)</u>
Net proceeds of liquidation available for unsecured creditors			<u>-0-</u>

**LEXINGTON PRECISION CORPORATION**

**Projected Consolidating Balance Sheet at August 31, 2009**

(in thousands of dollars)

	Leington Rubber Group, Inc.						Parent Company						
ASSETS	Warren	Jasper	Rock Hill	N. Canton	Ellijay	Other	Subtotal	Rochester	Discont. Oper.	Corp. Office	Other	Subtotal	Consol.
Current assets:													
Cash	3	21	1				25	2		3,045		3,047	3,072
Marketable securities										83		83	83
Trade receivables, net	341	4,786	2,402				7,529	1,072				1,072	8,601
Inventories	125	3,621	2,175	279			6,200	1,821				1,821	8,021
Prepaid expenses	51	470	318	52			891	330	3	277		610	1,501
Deferred income taxes													
Other current assets	79	358	576	29			1,042	295	27	2		324	1,366
Total current assets	599	9,256	5,472	360			15,687	3,520	30	3,407		6,957	22,644
Plant & equipment													
Land	146	1,420	169	439			2,174	121				121	2,295
Buildings	2,590	2,789	2,322	3,442			11,143	2,348		36		2,384	13,527
Machinery & equipment	15,777	44,301	14,269	9,802			84,149	25,219		101		25,320	109,469
	18,513	48,510	16,760	13,683			97,466	27,688		137		27,825	125,291
Accumulated depreciation	16,114	42,778	14,025	11,027			83,944	24,667		86		24,753	108,697
Plant & equipment, net	2,399	5,732	2,735	2,656			13,522	3,021		51		3,072	16,594
Plant & equipment of discontinued operations									1,159			1,159	1,159
Goodwill						7,623	7,623						7,623
Deferred financing expenses													
Other assets		48	361				409	17		72		89	498
Total assets	2,998	15,036	8,568	3,016		7,623	37,241	6,558	1,189	3,530		11,277	48,518
LIABILITIES & STOCKHOLDERS' DEFICIT													
Current liabilities:													
Accounts payable	1,151	3,349	946	387		(4,114)	1,719	1,388		1,394	(2,128)	654	2,373
Accrued income taxes													
Accrued interest expense													
Accrued expenses excl. interest and income taxes	1,134	930	496	206			2,766	509		1,112	(508)	1,113	3,879
Short-term debt													
Current portion of long-term debt													
Current liabilities of discontinued operations									325		(174)	151	151
Total current liabilities	2,285	4,279	1,442	593		(4,114)	4,485	1,897	325	2,506	(2,810)	1,918	6,403
Long-term debt, net of current portion													
Long-term portion of post-retirement obligation		150					150	88				88	238
Other long-term liabilities		11	179				190						190
Deferred income taxes													
Intercompany	713	10,596	6,947	2,423		11,737	32,416	4,573	864	1,024	2,960	9,421	41,837
Stockholders' deficit:													
Common stock													
Add'l paid-in-capital													
Accumulated deficit													
Treasury stock													
Stockholders' deficit													
Total liabilities & stockholders' deficit	2,998	15,036	8,568	3,016		7,623	37,241	6,558	1,189	3,530		11,277	48,668

## LEXINGTON PRECISION CORPORATION

### Projected Liquidation Value at August 31, 2009

(in thousands of dollars)

		Lexington Rubber Group, Inc.							Lexington Precision Corporation (Parent)					Consol.
		Warren	Jasper	Rock Hill	N. Canton	Ellijay	Other	Subtotal	Rochester	Discont. Oper.	Corp. Office	Other	Subtotal	
ASSETS:														
Cash	100% NBV	3	21	1				25	2		3,045		3,047	3,072
Marketable securities	100% NBV										83		83	83
Trade receivables, net	100% NBV	341	4,786	2,402				7,529	1,072				1,072	8,601
Inventories	100% NBV	125	3,621	2,175	279			6,200	1,821				1,821	8,021
Prepaid expenses	91.8% NBV	47	431	292	48			818	303		254		557	1,375
Other current assets	100% NBV	79	358	576	29			1,042	295	27	2		324	1,366
Total current assets		595	9,217	5,446	356			15,614	3,493	27	3,384		6,904	22,518
Real estate	80% FMV - 6%	1,504	1,579	1,354	1,918	3,580		9,934	752	1,241			1,993	11,927
Equipment	94.0% FLV	1,232	2,279	863	1,967			6,341	2,584				2,584	8,925
Aftermarket tooling	50% Cost		3,502					3,502						3,502
Total assets		3,331	16,578	7,663	4,240	3,580		35,391	6,829	1,268	3,384		11,481	46,872
LIABILITIES:														
Accounts payable	100% NBV	1,151	3,349	946	387		(4,114)	1,719	1,388		1,394	(2,128)	654	2,373
Accrued expenses	100% NBV	1,134	930	496	206			2,766	509	325	1,112	(508)	1,438	4,204
Total liabilities		2,285	4,279	1,442	593		(4,114)	4,485	1,897	325	2,506	(2,636)	2,092	6,577
Net assets		1,046	12,299	6,221	3,647	3,580	4,114	30,906	4,932	943	878	2,636	9,389	40,295